

Agency Legislative Budget								
Budget Item	Base Budget Fiscal 2002	PL Base Adjustment Fiscal 2004	New Proposals Fiscal 2004	Total Leg. Budget Fiscal 2004	PL Base Adjustment Fiscal 2005	New Proposals Fiscal 2005	Total Leg. Budget Fiscal 2005	Total Leg. Budget Fiscal 04-05
FTE	5.04	0.00	0.00	5.04	0.00	0.00	5.04	5.04
Personal Services	366,805	37,264	1,277	405,346	37,261	5,462	409,528	814,874
Operating Expenses	655,729	150,885	125,000	931,614	158,476	125,000	939,205	1,870,819
Total Costs	\$1,022,534	\$188,149	\$126,277	\$1,336,960	\$195,737	\$130,462	\$1,348,733	\$2,685,693
State/Other Special	1,022,534	188,149	126,277	1,336,960	195,737	130,462	1,348,733	2,685,693
Total Funds	\$1,022,534	\$188,149	\$126,277	\$1,336,960	\$195,737	\$130,462	\$1,348,733	\$2,685,693

Agency Description

The Consumer Counsel was created by Article XIII, Section 2 of the 1972 Montana Constitution, and is governed by Title 5, Chapter 15, and Title 69, Chapter 1 & 2, MCA. The office represents consumer interests in hearings before the Public Service Commission and other like agencies. They may initiate, intervene in, or participate in appropriate proceedings in the court systems or administrative agencies on behalf of the public of Montana.

Summary of Legislative Action

Consumer Counsel Major Budget Highlights
<ul style="list-style-type: none"> ○ Funding increases \$640,600, or 31.3 percent, over fiscal 2002 expenditures ○ Contingency fund for unanticipated caseloads is included at \$250,000 each year ○ The legislature doubled the contingency fund amount contained in the Executive Budget due to increased workload resulting from the passage of SB 247 ○ Other increases consist primarily of present law adjustments for personal services, professional services, and travel

The total budget for the Consumer Counsel includes \$383,900 in present law adjustments and \$256,700 in new proposals for a net increase over the fiscal 2002 base of \$640,600. Present law increases adopted by the legislature consist primarily of \$250,000 contingency funding over the biennium for unanticipated caseloads. Present law increases also include statewide adjustments for personal services, inflation, and fixed costs; along with minor operating adjustments for professional services, travel, rent, and other expenses. New proposals adopted by the legislature double the contingency funding as a result of SB 247 that will require additional administrative resources from the counsel. The legislature also adopted a pay plan in HB 13 that provides funding (about \$6,700 over the biennium) for increased employee health insurance costs in the 2005 biennium and a 25 cent employee pay raise that is effective on January 1, 2005.

Other Legislation

Senate Bill 247 - This bill establishes a default electricity supply procurement process and changes the regulatory role in resource planning. Past practice by regulators has been to do a review of resource decisions made by utilities after the decisions have been made. This legislation requires regulators to participate in the decision process up-front. The legislature appropriated an additional \$250,000 state special revenue to the Consumer Counsel to cover anticipated increased workload due to passage of this legislation. Workload increases are anticipated to include monitoring, evaluating, and commenting on the work of utilities as it's performed and representing ratepayer interests in a preapproval process.

Agency Budget Comparison								
Budget Item	Base Budget Fiscal 2002	Executive Budget Fiscal 2004	Legislative Budget Fiscal 2004	Leg – Exec. Difference Fiscal 2004	Executive Budget Fiscal 2005	Legislative Budget Fiscal 2005	Leg – Exec. Difference Fiscal 2005	Biennium Difference Fiscal 04-05
FTE	5.04	5.04	5.04	0.00	5.04	5.04	0.00	
Personal Services	366,805	404,069	405,346	1,277	404,066	409,528	5,462	6,739
Operating Expenses	655,729	806,614	931,614	125,000	814,205	939,205	125,000	250,000
Total Costs	\$1,022,534	\$1,210,683	\$1,336,960	\$126,277	\$1,218,271	\$1,348,733	\$130,462	\$256,739
State/Other Special	1,022,534	1,210,683	1,336,960	126,277	1,218,271	1,348,733	130,462	256,739
Total Funds	\$1,022,534	\$1,210,683	\$1,336,960	\$126,277	\$1,218,271	\$1,348,733	\$130,462	\$256,739

Executive Budget Comparison

The legislature approved a budget that is about \$256,700 above the amount recommended by the Governor. The difference is primarily attributed to increasing contingency funding by \$250,000 over the biennium for anticipated administrative costs related to SB 247. The remaining difference increases funding \$6,700 to fund the HB 13 pay plan.

Funding

The Consumer Counsel is funded by a constitutionally earmarked tax levied on all regulated entities under the jurisdiction of the Public Service Commission. The tax rate can be revised to adjust for previous fiscal year carryover to avoid accumulation of a significant cash balance. The tax is recoverable by the regulated companies through their rates and charges to consumers.

Present Law Adjustments									
-----Fiscal 2004-----					-----Fiscal 2005-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services				37,264					37,261
Inflation/Deflation				746					806
Fixed Costs				36					553
Total Statewide Present Law Adjustments				\$38,046					\$38,620
DP 1 - Present Law Base Adjustments									
0.00	0	150,103	0	150,103	0.00	0	157,117	0	157,117
Total Other Present Law Adjustments									
0.00	\$0	\$150,103	\$0	\$150,103	0.00	\$0	\$157,117	\$0	\$157,117
Grand Total All Present Law Adjustments				\$188,149					\$195,737

Present Law Adjustments

The "Present Law Adjustments" table shows the primary changes to the adjusted base budget made by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Legislative decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

DP 1 - Present Law Base Adjustments - The legislature approved the present law base adjustment consisting of \$125,000 per year contingency fund for costs associated with unanticipated caseload, approximately \$15,000 in fiscal 2004 and \$22,000 in fiscal 2005 for professional services, \$7,700 per year for travel, and \$2,500 per year in other miscellaneous expenses.

New Proposals										
Program	FTE	Fiscal 2004				Fiscal 2005				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6800 - HB 13 - Pay Plan										
01	0.00	0	1,277	0	1,277	0.00	0	5,462	0	5,462
DP 9000 - Contingency Fund Increase										
01	0.00	0	125,000	0	125,000	0.00	0	125,000	0	125,000
Total	0.00	\$0	\$126,277	\$0	\$126,277	0.00	\$0	\$130,462	\$0	\$130,462

New Proposals

DP 6800 - HB 13 - Pay Plan - The legislature passed a pay plan in HB 13 that provides an additional \$44 per month in insurance contributions in calendar 2004 and an additional \$50 per month in calendar 2005, as well as a \$0.25 per hour salary increase in the final six months of fiscal 2005. These amounts represent this program's allocation of costs to fund this pay plan. An additional \$44 per month in insurance contribution for the first six months of fiscal 2004 was not funded.

DP 9000 - Contingency Fund Increase - The legislature approved an additional increase of \$250,000 over the biennium to cover potential additional costs resulting from the passage of SB 247 establishing a default electricity supply procurement process. Additional costs are associated with representing ratepayer interests in a preapproval process. The total contingency fund amount is \$500,000 over the biennium.